## What is the Country's Condition?

From comment by the Honorable David F. Houston:

This Second Survey of National Conditions, made by the Fidelity and Deposit Company, is suggestive, and will be helpful. At all times information of the sort here gathered is valuable. It is particularly so now, when there is still uncertainty in the business world, and leaders are debating the details of their industrial programmes and policies. It indicates that the business world is still feeling its way, but with increasing confidence, and with the conviction that the worst has passed.

The country has successfully borne the strain caused by a most notable drop in prices, particularly of a vast volume of raw materials, and has weathered a trying period of liquidation. The demand for finished products has not developed to the point where our factories feel justified in taking the requisite quantity of our surplus raw materials to furnish the necessary relief to their producers; but there are some indications of a change in this direction.

Business men realize that forced action, based on artificial optimism, may lead to unwise action, and produce further embarrassment.

The foreign situation has not shown the expected improvement, and continued difficulties are experienced in discovering an effective European market for our commodities.

This Survey does point to certain favorable domestic conditions. The cost of living has appreciably diminished. Building operations in a number of districts tend to increase. There have recently been no strikes of consequence. Greater productivity of labor per man is reported from all districts. Raw materials are plentiful, and physical transportation conditions are good. There have been no business failures of moment. The crop outlook is satisfactory; and the banking situation has improved. It is believed that confidence in business circles is slowly spreading, and that while there is hesitancy, the business men of the country are feeling their way with sound business caution, and the country is working back toward a more stable condition.

## A Nation-Wide Digest of Facts and Opinions, made by the Fidelity and Deposit Company Through its Representatives

		NEW E	NGLAND	MIDDI	E ATLAN	TIC	EAST NORTH CENTRAL			WEST NORTH CENTRAL					The second secon	EAST SO. CENT.	WEST SO. CENT.		MOUNTAIN	PAC	IFIC
	INDUSTRIAL QUESTIONS	Mass.	Maine New Hamp. Vermont Rhode. Isl. Conn.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin		North D		, Missouri uth Dakots ansas		Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Ok	s, Louisiana lahoma Fexas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Or	hington regon ifornia
1	Is there a marked resumption of in- dustrial activity?	No	No	No	No -	No	No	No	No			No			No	No		No	No	1	No
2	Is buying by the public still restricted?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes			Yes	Yes		Yes	Yes	Y	Co .
•	Do industrial concerns report continued cancellation of orders?	No	No	No	No	No	No	No	No			No	,		No	No	No		No	No	
4	Have retailers stocked up in expecta- tion of a good Spring business?	No	No	No	No	No	No	No	No			No			No	No		No	No	1	No
5	Have retail prices been reduced in the same proportion as wholesale prices?	No	No	No	No	No	No	No	No			No			No	No		No	No	1	No
6	Has the cost of living diminished appre- ciably since last September?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes			Yes	Yes		Yes •	Yes	,	Yes
7	Are industrial concerns carrying large amounts of customers' paper?	Yes		Yes Taxation— Tariff	Yes  Taxation— Railroads	Yes - Taxation— Railroads	Yes Taxation— Railroads	Yes Taxation— Railroads	Yes Taxation— Railroads						Yes Taxation—Peace Question	Yes Taxation—Peace Question	Yes Taxation—Peace Question		Yes	Yes Taxation Railroads	
8	What problem has the greatest bearing on business prosperity?	Taxation— Railroads																	Taxation Tariff		
9	Are general transportation conditions good?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes			Yes	Yes *		Yes	Yes '		Yes
_	Are raw materials plentiful?  Have any failures of importance oc-	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes			Yes	Yes	100000000000000000000000000000000000000	Yes	Yes		Yes
•	curred since last September?  Are there any strikes?	No Yes	No · No	No Yes	No No	No No	No No	No No Ves-Metals Machinery- Foundry Pro- ducts-Building Trades-Lum- ber-House Furniture	No No Ves-Lumber House Furniture—Building Trades-Auto- mobiles and	No No					No No	No .	No No		No No	No No	
13	Have there been appreciable wage reductions, and in what lines?	Yes-Metals Machinery- Foundry Pro- ducts-Textiles and Products- Leather	Yes-Textiles and Products-Lum- ber—House Pur niture-Metals- Machinery- Foundry Products	Ves—Textiles and Products— Metals—Mach- inery—Foundry Products—	Yes-Textiles and Ptoducts Metall-Mach- inery-Foundry	Yes-Metals Machinery- Foundry Pro- ducts-Building Trades-Trans				Yes—Building Trades—Lumber—House Furniture —Packing and Food Products.			Yes—Building Trades—Lumber. House Furniture	Yes—Building Trades—Textiles and Products	Yes—Building Trades—Lumber House Furniture		Yes—Mining Building Trades	Yes Metals Machinery Foundry Produ Building Trad			
	Has the productivity of labor per man	Products	Products	Building Trade	Products	portation	No	Furniture	Accessories	1 1	E and Foo	,				mid Froducts	- IAOUSC	* tarmetare	Attaces		
15	increased or decreased since Sept.  Are building operations increasing or	Increased	Increased		Increased	Increased			Increased						Incréased	Increased	Increased		Increased Decreasing	Increased	
16	decreasing?  Is there need of building construction and in what class?	Decreasing Yes-Low Priced Dwellings-Ware- houses-Fac-	Ves-Low Priced Dwell- ings-Ware- houses and Factories	Increasing Yes-Low Priced Dwessings-High Grade Dwell- lings and	Increasing Yes-Low Priced Dwell- ings-High Grade Dwell- ings and	Yes Low Priced Dwell- ings-High Grade Dwell- ings and	Ves-Low Priced Dwell- ings-High Grade Dwell- ings and	Ves-Low Priced Dwellings High Grade Dwellings and	Yes-Low Priced Dwellings-High Grade Dwellings and	Yes—Low Priced		Increasin		e Dwelling	Yes-Low Priced Dwellings-High Grade Dwellings and Apartments	Yes—Low Priced	Yes—Low Priced		Yes-Low Priced	Yes-Low Price Dwellings - Offic Buildings and Str	
17	Is sentiment favorable to building					THE SALE	BEAR STORY			and Apa	rtmenta	No			No	No	Dwellings		Dwellings	No No	
	operations at present cost?	New I	NGLAND	No	No DLE ATLA	NTIC	No EAST!	NORTH CE	No	10.000	WEST		CENTRAL			EAST SO. CENT.		SO. CENT.	MOUNTAIN	-	IFIC
r A	FINANCIAL QUESTIONS	Mass.	Maine New Hamp. Vermont Rhode. Isl.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin		North D		, Missouri uth Dakota		Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.		Arkansas, Louisiana Oklahoma Texas		Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Calif.	Was
18	Are the banks supplied with funds to lend and at what interest rates?	Yes 6-8%	Yes 6-7%	Yes 6-8%	Yes 6%	Yes 6-8%	Yes 7%	Yes 6-7%	Yes 7%			Yes 7-8%			No	Yes 6-8%		Yes -10%	No	Yes 7-8%	Ye 8%
19	Over a six-months' period, have de- posits increased or decreased?		Decreased	Increased	Stationary	Increased	Decreased	Decreased	Decreased			Decrease	ed		Decreased	Decreased	Decreased		Decreased	Increased	Decree
20	Have corporation accounts increased or decreased?	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased		Decreased Increased				Decreased	Decreased	Dec	reased	Decreased	Decreased	Decre
21	Have savings accounts increased or decreased?	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Decreased	1					Decreased	Decreased	Dec	reased	Decreased	Increased	Decre
22	Do local indications point to increased or lessened government tax revenue this year?	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened		Lessened	Lessened				Lessened	Lessened	100	sened	Lessened	Lessened	1000	
23	Is a higher tariff desired?	Yes Yes NEW ENGLAND		Yes Yes Yes Yes		Yes Yes Yes  EAST NORTH CENTRAL		AND DESCRIPTION OF THE PARTY OF	WEST NORTH CENTRAL					SO. ATLANTIC EAST SO. CENT.		WEST SO. CENT.		MOUNTAIN	PAC		
	. AGRICULTURAL QUESTIONS	Massachusetts Maine, New Hamp. Vermont, Rhode Island, Connecticut		New York New Jersey Pennsylvania		Ohio Indiana Illinois Michigan Wisconsin		Indiana higan	Iowa	Kansas Missouri Nebr. N.Dak. Virginia, West Va. Alabar			Kentucky, Tenn.			Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	o Washington California				
24	Have farmers disposed of all their last season's crops?	No		No No		No	No		No No		No	No N		No No	No .	No	No	No	No		
25	What is the crop outlook for this season?	1	air		Fair		Good Good		bood	Good	Good	Good	Good	Good	Fair	Fair -	Good Yes-Low	Good Yes-Low	Good	G	bood
26	Are farmers reducing their acreage?	Yes-L	ow Prices	Yes-Lo	w Prices—S Labor	hortage of			ow Prices of Labor	No	No	No	No	Yes—Low Prices Shortage of Money	Yes-Low Prices- Shortage of Labor	Yes-Low Prices- Shortage of Money	Shortage of Shortage of		Yes-Shortage of Money-Low Prices	No	
27	Are farmers withholding payment of bills? If so, why?		No No		Yes, Lack of Funds	Yes-Lac	k of Funds	Yes, Lack	Yes, Lack	Yes, Lack	Yes, Lack	Yes, Lack		Yes—Lack of Funds	Yes, Lack	Yes Lack of Funds	Yes—Lack of Funds	Yes-1			
28	Is there a demand for farms this year by renters?		No		No		Yes	No		No .	Yes	Yes	Yes	No	Yes	· No	No	No	No	Y	ca
29	Is the condition of the sheep and cattle- men good, fair or poor?	1021	Fair		Fair		Fair	F	Fair		Poor	Pair	Poor	Pair	Fair	Fair	Fair	Fair	Poor	F	air
30	Is there noticeable movement of men to the farms from industries?	· No		No .		No No			No No No No No			No	No	'No	No	No	No				
	GENERAL QUESTIONS	Massachusetts Maine, New Hamp. Vermont, Rhode Island Connecticut		New York New Jersey Pennsylvania		EAST NORTH CENTRAL  Illinois, Ohio, Indiana Michigan Wisconsin				Minnesota, Iowa, Missouri North Dakota, South Dakota				SO. ATLANTIC  pel. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi			MOUNTAIN  Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	PACIFIC  Washington California Oregon		
31	Is there a noticeable increase in crime	ere a noticeable increase in crime er last September?		No		Yes			Yes					No	No	Yes		Yes	Yes		
32	Should the Excess Profits Tax be abolished?		Yes		Yes		Yes			Yes					Yes	Yes	Yes		Yes	Yes	
33	What substitute for the Excess Profits Tax would be favored?		Sales Tax		Sales Tax		Sales Tax			Sales Tax					Sales Tax	Sales Tax Sales Tax		Sales Tax	Sales Tax		
34	What is the big local question in your community?	Housing S Situation Labor Rea	Housing Shortage—Textile Situation—Taxation— Labor Readjustment		Housing Shortage—Labor Read- fustment Taxation Unemploym't,		Unemployment—Housing Short- age Taxation—Farm Relief							1	Unemployment Housing Shortage Price of FarmProducts Labor Peace and Taxation	Products and Cotton Crop	Farmers Cotton and Oil Prices Good Roads		Taxation—Financing—Farmers and Cattlemen Taxation	Taxation—Shortage of Houses—Irrigatio Good Roads Taxation	
36	What is the big national question? What would be the sentiment toward a rebate on Federal income and other taxes as outlined below?	Taxation and Tariff  Favorable		Taxation and Peace Favorable			Favorable			Pavorable					Favorable Favorable		- Favorable		Pavorable		

A PLAN FOR RELIEVING TAXATION DIFFICULTIES

Suggested by Daniel de Wolf Wever of the New York Bar

PREMISES: (1) The Government must continue to receive revenue on the present scale or higher.
(2) The present tax system is widely condemned as

hampering industry and progress.

(2) Sale of a bond issue is probably impracticable. RELIEF SUGGESTED: Legislation providing for refunding to each tax-payer, in the form of U. S. Twenty-year four per cent. bonds, to be issued for that purpose, one-half the amount paid as income, war and excess profit taxes for the years 1920-1923 inclusive.

RESULTS: (1) The Government would receive in cash the full amount of the tar levied.

(2) The tax-payer would in effect have his taxes cut in half, as the bonds received would constitute a liquid asset.

Local Representatives will supply on request copies of the Survey Chart, and complete text of the analysis by the Honorable David F. Houston.

## Fidelity and Deposit Company

Franklin D. Roosevelt, Vice-President

Fidelity and Surety Bonds and Burglary Insurance

Surety Department:—120 Broadway (Rector 6200)
Burglary Insurance Department:—80 Maiden Lane (John 5725)
For Information on Survey, call Rector 6200

THE SECOND SURVEY
OF NATIONAL CONDITIONS

The Fidelity and Deposit Company presents this second Survey of National Conditions in response to many requests. It is based on the answers to carefully considered questions, made by one thousand selected Representatives of the Company in all parts of the country. The Survey is a review by business men, prepared with every effort to insure accuracy, for the information of business men; and published as a contribution to the Nation's commercial well-being. The information, based on interviews with bankers, merchants, manufacturers and others in a position to speak authoritatively, was telegraphed to Baltimore and tabulated within the last five days.

The first Survey of National Conditions was published September 21, 1920, and aroused so much interest as to indicate that it was of value to the public at large, as well as to the Directors of the Company for whom the data was primarily intended. It was felt at this time that another review would be see omed.